

SEC. 132. LITTORAL COMBAT SHIP (LCS) PROGRAM.

(a) **FINDINGS.**—Congress makes the following findings:

(1) The plan of the Chief of Naval Operations to recapitalize the United States Navy to at least 313 battle force ships is essential for meeting the long-term requirements of the National Military Strategy.

(2) Fiscal challenges to the plan to build a 313-ship fleet require that the Navy exercise discipline in determining warfighter requirements and responsibility in estimating, budgeting, and controlling costs.

(3) The 55-ship Littoral Combat Ship (LCS) program is central to the shipbuilding plan of the Navy. The inability of the Navy to control requirements and costs on the two lead ships of the Littoral Combat Ship program raises serious concerns regarding the capacity of the Navy to affordably build a 313-ship fleet.

(4) On April 23, 2007, the Naval Inspector General reported to Congress that it determined that cost growth in the Littoral Combat Ship program was attributable to several factors, most notably that—

(A) the strategy adopted for the Littoral Combat Ship program, a so-called “concurrent design-build” strategy, was a high-risk strategy that did not account for that risk in the cost and schedule for the lead ships in the program;

(B) inadequate emphasis was placed on “bid realism” in the evaluation of contract proposals under the program;

(C) late incorporation of Naval Vessel Rules into the program caused significant design delays and cost growth;

(D) the Earned Value Management System of the contractor under the program did not adequately measure shipyard performance, and the Navy did not independently assess cost performance;

(E) the program manager for the program was inexperienced as an acquisition professional and had insufficient staff support for the challenges posed by management of such a complex, major program because senior Navy officials waived qualifications of acquisition workforce personnel and chose not to provide adequate support in other areas;

(F) the acquisition chain-of-command, from the program office for the program to the Assistant Secretary of the Navy failed to report timely program cost and schedule information within the Navy and to the Office of Secretary of Defense and Congress, which resulted in poor understanding of actual program performance; and

(G) the relationship between the Naval Sea Systems Command and the program executive offices for the program was dysfunctional.

(b) **REQUIREMENT.**—In order to halt further cost growth in the Littoral Combat Ship program, costs and government liability under future contracts under the Littoral Combat Ship program shall be limited as follows:

(1) **LIMITATION OF COSTS.**—The total amount obligated or expended for the procurement costs of the fifth and sixth vessels in the Littoral Combat Ship (LCS) class of vessels shall not exceed \$460,000,000 per vessel.

(2) **PROCUREMENT COSTS.**—For purposes of paragraph (1), procurement costs shall include all costs for plans, basic construction, change orders, electronics, ordnance, contractor support, and other costs associated with completion of production drawings, ship construction, test, and delivery, including work performed post-delivery that is re-

quired to meet original contract requirements.

(3) **CONTRACT TYPE.**—The Navy shall employ a fixed-price type contract for construction of the fifth and following ships of the Littoral Combat Ship class of vessels.

(4) **LIMITATION OF GOVERNMENT LIABILITY.**—The Navy shall not enter into a contract, or modify a contract, for construction of the fifth or sixth vessel of the Littoral Combat Ship class of vessels if the limitation of the Government's cost liability, when added to the sum of other budgeted procurement costs, would exceed \$460,000,000 per vessel.

(5) **ADJUSTMENT OF LIMITATION AMOUNT.**—The Secretary of the Navy may adjust the amount set forth in paragraphs (1) and (4) for either vessel referred to in such paragraph by the following:

(A) The amounts of increases or decreases in costs attributable to compliance with changes in Federal, State, or local laws enacted after September 30, 2007.

(B) The amounts of outfitting costs and costs required to complete post-delivery test and trials.

(C) **REPEAL OF SUPERSEDED AUTHORITY.**—Section 124 of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3157) is repealed.

SA 2886. Mrs. FEINSTEIN (for herself and Mr. SPECTER) submitted an amendment intended to be proposed to amendment SA 2011 proposed by Mr. NELSON of Nebraska (for Mr. LEVIN) to the bill H.R. 1585, to authorize appropriations for fiscal year 2008 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 824 and insert the following:

SEC. 824. COMPTROLLER GENERAL REPORT ON EMPLOYMENT OPPORTUNITIES FOR FEDERAL PRISONERS.

(a) **IN GENERAL.**—Not later than 180 days after the date of the enactment of this Act, the Comptroller General of the United States shall, in coordination with the Attorney General, submit to Congress a report setting forth such modifications to law or regulations as may be required to provide sufficient employment opportunities for Federal prisoners to reduce recidivism among, and to promote job skills for, the growing population of Federal prisoners.

(b) **ELEMENTS.**—The report shall include an assessment of the following:

(1) The effect of the current Federal Prison Industries program on private industry.

(2) The impact of limitations on authorized purchasers of Federal Prison Industries products, and proposed alternative employment opportunities for Federal prisoners that may be used to reduce any negative impact on the Federal Prison Industries program of the modifications set forth in subsection (a).

NOTICES OF HEARINGS**COMMITTEE ON INDIAN AFFAIRS**

Mr. DORGAN. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, September 19, 2007, at 9:30 a.m. in

Room 628 of the Dirksen Senate Office Building to conduct a hearing on the process of Federal recognition of Indian tribes.

Those wishing additional information may contact the Indian Affairs Committee at 224-2251.

COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Mr. KERRY. Mr. President, I would like to inform members that the Committee on Small Business and Entrepreneurship will hold a hearing entitled “Expanding Opportunities for Women Entrepreneurs: The Future of Women's Small Business Programs,” on Thursday, September 20, 2007, at 10 a.m. in room 428A of the Russell Senate Office Building.

DISCHARGE AND REFERRAL—S. 2006

Mr. REID. I ask unanimous consent that the Senate Committee on Environment and Public Works be discharged from further consideration of S. 2006 and the bill be referred to the Committee on Homeland Security and Governmental Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TUESDAY, SEPTEMBER 18, 2007

Mr. REID. Mr. President, I ask unanimous consent when the Senate completes its business today, it stand adjourned until tomorrow morning at 10 a.m., Tuesday, September 18; that on Tuesday, following the prayer and pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there then be a period of morning business for 60 minutes, with Senators permitted to speak therein for up to 10 minutes each, with the Republicans controlling the first 30 minutes and the majority controlling the final 30 minutes; that following morning business, the Senate proceed to H.R. 1124, as provided for under a previous order; that on Tuesday, following disposition of H.R. 1124, the Senate stand in recess until 2:15 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. REID. If there is no further business today, I now ask unanimous consent that the Senate stand adjourned under the previous order.

There being no objection, the Senate, at 7:12 p.m., adjourned until Tuesday, September 18, 2007, at 10 a.m.